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RUEHTU/AMEMBASSY TUNIS PRIORITY 4311
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RUEHJM/AMCONSUL JERUSALEM PRIORITY 8637
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RHMFISS/COMSOCEUR VAIHINGEN GE PRIORITY
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STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR XXXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

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E.O. 12958: N/A
TAGS: [OPRC](#) [KMDR](#) [IS](#)

SUBJECT: ISRAEL MEDIA REACTION

SUBJECTS COVERED IN THIS REPORT:

- [1](#)1. Iran
- [1](#)2. Mideast

Key stories in the media:

Maariv quoted the Israeli defense establishment as saying that

Mossad Director Meir Dagan is not capable of convincing the Americans about the seriousness of the Iranian nuclear threat. On Sunday Maariv reported that an Israeli intelligence team has headed to the U.S. for an in depth review of the National Intelligence Estimate (NIE). Maariv reported that Israel will likely make available to the U.S. new material which up till now has been held back for "information security" reasons. All media reported that on Saturday Internal Security Minister Avi Dichter blasted the NIE, warning that the NIE is liable to bring about the regional equivalent of the 1973 Yom Kippur War, and that Israel would be one of the victims. Today Ha'aretz and Maariv reported that PM Ehud Olmert rebuked Dichter over his remarks. Dichter was also quoted as saying that if Washington was wrong about Tehran, it could also be wrong about Palestinian intentions. The Jerusalem Post reported that Maj. Gen. Benny Ganz, the IDF's incoming military attache to the U.S., told the newspaper that the world does not yet appreciate the gravity of the Iranian threat.

Yediot reported that on Sunday PM Olmert and Defense Minister Ehud Barak authorized the IDF to "upgrade" the list of Gaza targets in response to Qassam rocket fire. All media reported that a two-year-old toddler from Kibbutz Zikim in the Ashkelon area was slightly wounded on Sunday in a rocket strike.

On Sunday Ha'aretz reported that a planned Israeli-Palestinian peace gathering in Madrid "collapsed before even taking off."

The Jerusalem Post's web site and other media quoted Secretary of State Condoleezza Rice as saying on Sunday that militant Palestinians, not Israel, are to blame for deteriorating conditions in the sealed-off Gaza Strip, as the U.S. announced it intends to donate about \$550 million to the impoverished Palestinians this year. The Jerusalem Post quoted Israeli diplomatic officials as saying on Sunday that Arab states participating in today's donor conference in Paris are likely to pledge generous sums to the PA, but that won't follow through on their pledges so as not to antagonize Hamas. According to the officials, this was likely to be especially true of Egypt. On Sunday Yediot reported that the Palestinian government intends to ask the donor countries for \$2 billion annually for the next three years. This sum is between three and four times the annual amount that was transferred to the PA following the Oslo Accords. Maariv and other media reported that on Sunday FM Tzipi Livni told PA Chairman [President] Mahmoud Abbas that there will be progress in the negotiations if the Palestinians fight terror. Over the weekend all media reported on Saturday's 100,000-strong rally in Gaza, at which Hamas leaders vowed never to recognize Israel.

Ha'aretz reported John Rood, Assistant Secretary of State for International Security and Nonproliferation, arrived in Israel last night for discussions on the NIE and sanctions against Iran. Ha'aretz quoted Israeli officials as saying that they will give Rood the most up-to-date intelligence Jerusalem has gathered on this program, however, their outlook is gloomy. "There won't be a third Security Council resolution against Iran before January, and even then, it is likely to be watered down and toothless," an Israeli official was quoted as saying.

Ha'aretz reported that the U.S. is examining the possibility of helping Egypt build a physical barrier to foil the weapons-smuggling tunnels that run from Sinai to Gaza. According to Ha'aretz, the Americans plan to send a delegation of officers from the U.S. Army Corps of Engineers and engineers from the Department of Defense to the Sinai in the near future for a feasibility study. The recommendation to send the delegation came from two senior administration officials who visited Israel and Egypt a few weeks ago to investigate Israel's claim that the Egyptians were not doing enough to stop weapons-smuggling into Gaza.

Ha'aretz reported that the Israel Antiquities Authority (IAA) has been instructed by the cabinet to continue its work at the Mugrabi walkway near the Western Wall in Jerusalem. The cabinet recently instructed the IAA to complete the work "as soon as possible, with full transparency and with the cooperation of the relevant bodies." Excavations at the site were halted in June after they raised an international protest.

Ha'aretz cited an advertisement published in the Palestinian

newspaper Al-Quds last week as saying that the GOI has decided Palestinians who have been "annexed" to Jerusalem by the separation fence will receive neither permanent nor temporary Israeli residency. Instead, they will receive residency permits from the military authorities -- which confer no right to work, to health insurance or to any other benefit of legal residency. The Association for Civil Rights in Israel accused the government of trying to force the Palestinians to leave the city.

Major media cited an Islamic Jihad site, Falastin Al-Yawm, quoting an eyewitness to the abduction of Gilad Shalit that he was weak and wounded at the time.

Leading media reported that on Sunday Yossi Beilin, the Chairman of Meretz-Yahad, left the race for leadership of his party. Yediot reported that MK Haim Oron is the leading candidate in the race. Maariv reported that Beilin is promoting an initiative to achieve peace within a year.

Sheikh Abdullah Nimr Darwish, the founder of Israel's Islamic Movement, was quoted as saying in an interview with The Jerusalem Post that Israeli Arabs will never agree to do national service for the state because it would call into question their loyalty to the Palestinian cause.

Ha'aretz reported that American real estate mogul Bob Stark is heading an investor group that plans to invest \$3-4 billion in a new university town in the Saged area that will include a medical school affiliated with Bar-Ilan University. The town is slated as well to have housing, shopping centers and cultural institutions, Stark told Ha'aretz on Sunday. The medical school is to be funded by a donation of some \$500 million, to be provided by Stark and others, which would make such a project the first instance in Israeli academia of a donation being made as part of a business enterprise.

Maariv noted that the "Maof" share index on the Tel Aviv stock market has dropped by 3.2% following the published of consumer price indexes in the U.S. and Israel over the weekend. The media reported on a continued rise of the US dollar as compared to the shekel (on Sunday, a dollar was worth 3.971 shekels)

Major media reported that three Tel Aviv University academics have been named by Scientific American on the magazine's list of the past year's greatest advancements in science. Professor Eshel Ben-Jacob and Dr. Itay Baruchi created a new type of organic memory chip and Professor Beka Solomon was honored for her research in treating Parkinson's disease

Donatella Rovera, chief researcher for Amnesty International on Israel and the Palestinians, was quoted as saying on Sunday in an interview with The Jerusalem Post that the Annapolis conference failed to address human rights issues on both sides in the Israeli-Palestinian dispute, just as previous initiatives including Oslo failed before it. The Jerusalem Post reported that "in a rare public statement," the International Committee of the Red Cross warned that the Palestinians in the Gaza Strip are facing a "worsening humanitarian crisis as a result of the drastic deterioration of the situation there."

On Sunday Maariv reported that the Separation Fence Administration was disbanded in the course of the past number of weeks and that its director has ended his term.

The Jerusalem Post cited AP quoting that Abu Ghazal, head of the Knights of the Night group, loosely associated with Fatah, as saying that he is calling off attacks on Israel and taking his group underground, after Israel refused to grant his gang amnesty.

The Jerusalem Post reported from Washington that on Saturday the Union for Reform Judaism, America's largest Jewish movement, and the Islamic Society of North America, unveiled an interfaith dialogue curriculum and are urging their hundreds of thousands of members to use it. Both sides say it is the broadest Jewish-Muslim interfaith effort in the continent's history.

Maariv reported that Defense Ministry Barak has okayed the creation of a second cellular phone network in the Palestinian territories.

Maariv reported that a group of Labor Party veterans, which does not believe that Ehud Barak has changed and is identified with the late Yitzhak Rabin's line, has threatened to join the Likud.

Leading media reported that on Monday an interministerial committee decided that the president of Israel will not be able to pardon or reduce the sentence a person who assassinated a prime minister. The Knesset must pass a bill to this effect.

Leading media reported that Israel will sign a free-trade agreement today with Mercosur, the South American free trade union that includes Brazil, Argentina, Uruguay, Paraguay, and a "country outside of Latin America." The treaty has been in the works for a decade.

11. Iran:

Summary:

The conservative, independent Jerusalem Post editorialized (12/17): "Bush ... can forget about the Annapolis process getting anywhere if the U.S. is perceived to be easing the pressure on the Iran."

The nationalist, Orthodox Makor Rishon-Hatzofe editorialized: "With all due respect to the United States, Israel must determine its defense policy independently -- and listen to Dichter."

Block Quotes:

1I. "On His Way to Israel"

The conservative, independent Jerusalem Post editorialized (12/17): "Bush ... can forget about the Annapolis process getting anywhere if the U.S. is perceived to be easing the pressure on the Iran.... A high-profile, top-level U.S. push for European sanctions on Iran could correct these impressions, demonstrate that an Iranian bomb is not inevitable, and help convince the Arab world not to run away from the American 'weak horse' and towards accommodation with Iran. As much as Israelis are always happy to see an American president, it is only in the context of a renewed sanctions push that Bush's visit would make policy sense. "

II. "An Alternative to Olmert's Perception"

The nationalist, Orthodox Makor Rishon-Hatzofe editorialized (12/17): "In light of past experience, Minister Dichter's warning [about the NIE's report] cannot be ignored. He urged us ... to learn the lessons of the past. The conclusion that should be drawn is that Israel should lead its defense policy from a purely ... Israeli point of view. With all due respect to the United States, Israel must determine its defense policy independently -- and listen to Dichter."

12. Mideast:

Summary:

Security and intelligence affairs commentator Amit Cohen wrote in the popular, pluralist Maariv: "One way or another, Hamas is here to stay, and to stay in power."

Military correspondent Amos Harel wrote in the independent, left-leaning Ha'aretz: "It seems that Washington has understood only the gravity of the threat [of smuggling tunnels] -- not what is needed to cope with it."

Columnist and former IDF Intelligence chief Shlomo Gazit wrote in Maariv: "As opposed to Professor [Bernard] Lewis, I support negotiations and the achievement of a diplomatic agreement."

Palestinian affairs correspondent Avi Issacharoff wrote in Ha'aretz: "It is difficult to see how [Salam] Fayyad plans to implement hundreds of millions of dollars in economic projects without Hamas's

agreement."

Block Quotes:

I. "Here to Stay"

Security and intelligence affairs commentator Amit Cohen wrote in the popular, pluralist Maariv (12/16): "More than anything Hamas would like us to visit, so that we would see Gaza under its rule -- order in the streets, the cleanliness, the [absence of] the vendor stalls that have been removed from the roadsides. Ironically, this extremist organization, which prides itself on its isolationism, behaves as though it is longing for attention from Israel, perhaps even for a pat on the shoulder. They want us to see; it's not that they believe in reconciliation. They genuinely believe that they faithfully represent the interests of their people, and that is what they want us to understand.... One way or another, Hamas is here to stay, and to stay in power. Twenty years have passed since that secret, nocturnal meeting at the home of Sheikh Ahmed Yassin [when

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Hamas was founded]. The people who started that phenomenon now called Hamas numbered only seven. Four of them are still alive. 'We did not plan to come to power but we always knew it would happen,' one of the seven founders said. 'We knew that victory would come, sooner or later. Islam is the future.'"

II. "They Still Don't Get It"

Military correspondent Amos Harel wrote in the independent, left-leaning Ha'aretz (12/17): "The U.S. administration's willingness to talk with the Egyptians about ideas for halting weapons smuggling across the Gaza-Egypt border reflects Washington's belated recognition of the severity of the problem. Even the United States now understands that the smuggling industry -- and especially its contribution to Hamas's military build-up in Gaza -- is liable to result in an Israeli invasion of Gaza, thereby further undermining the regional situation. But based on the reported American recommendations, it seems that Washington has understood only the gravity of the threat -- not what is needed to cope with it.... What the U.S. apparently refuses to understand is that the first requirement for any solution to the problem must be substantive, not technical: As long as Cairo does not view the war on weapons smuggling as a genuine Egyptian interest, no real progress will occur."

III. "The Bone of Contention"

Columnist and former IDF Intelligence chief Shlomo Gazit wrote in Maariv (12/17): "Professor Bernard Lewis, one of the greatest Middle East scholars, published an article on the eve of the Annapolis conference.... Lewis believes that there is no chance nor reason for negotiations and an agreement, if the bone of contention is not Israel's borders but its very existence.... Lewis concludes that as long as the Arab stance has not changed, there is no point to Israel engaging in the diplomatic process.... I share Professor Lewis' pessimistic, even realistic assessment, but I have reservations about his conclusion.... As opposed to Professor Lewis, I support negotiations and the achievement of a diplomatic agreement. As long as a [protracted hudna, i.e. lull] goes on and the Arab attitude doesn't change, Israel will be at war.... [But I can sum up my position thus:] Yes to an agreement, yes to a process that will turn a hudna into a new reality."

IV. "Fayyad's Alibi"

Palestinian affairs correspondent Avi Issacharoff wrote in Ha'aretz (12/17): "[Palestinian Prime Minister Salam] Fayyad is an exception in Palestinian politics: He belongs to neither Fatah nor Hamas, having helped found the Third Way party, and unlike most Palestinian

leaders, Fayyad does not blame 'the occupation' for everything.... In Nablus he wrought significant change on the ground, making the city secure again. As a result, both the United States and Israel see him as 'the great hope.' Nonetheless, it is difficult to see how Fayyad plans to implement hundreds of millions of dollars in economic projects without Hamas's agreement. He has also neglected to mention that the Israeli blockade of Gaza is continuing in part due to the pressure the PA is exerting on Israel to do so. Some Fatah officials argue that Fayyad has been trying to signal to Hamas in anticipation of the possibility that Palestinian President Mahmoud Abbas will go back to negotiating with them. Such a scenario may be part of Fayyad's calculations, but Fatah complaints appear to stem primarily from the fear that in the next elections, Fayyad, with his clean public image, is likely to steal votes from Fatah. The billions of dollars coming in from the donor states will only help him do so."

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